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DD/ST# 885/67

OSP-281-67

6 MAR 1967

MEMORANDUM FOR: Suggestion Awards Committee

THROUGH : Director, OSP
Executive Officer, DDS&T

SUBJECT : Proposed Establishment of Xerox Center for
Reproduction of Codeword Material

1. Currently there are nine Xerox machines located throughout the offices of the DDS&T which provide an average of 94,969 total copies per month at an average total monthly cost of \$4,230 including approximately \$798 for supplies. Of these machines, eight are located at Headquarters and one is located in the Ames Building at Rosslyn. Please refer to the detailed tabulation in Attachment A.
2. I suggest that a quick reaction Xerox Reproduction Center be established at Headquarters to service all of the activities now utilizing the eight machines noted above. A location in "F" corridor would be ideal for the purpose of reproducing documents of special sensitivity that require special handling. This facility would accomplish the present reproduction load with greater efficiency and economy than is currently being experienced through the present use of widely located machines.
3. I believe that one such Xerox Center equipped with a Xerox 2400 and a Xerox 914 along with two qualified operators could adequately handle the volume now being reproduced. The Xerox 2400's current rental price is \$1,100 monthly, assuming up to 120,000 copies are made. All copies over 120,000 in a given month cost an additional \$.0042 per copy. If less than 120,000 copies are made, the cost is

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GROUP 1
Excluded from automatic
downgrading and
declassification

**DD/S&T
FILE COPY**

SECRET

Page 2

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\$.04, 1-3 copies; \$.02, 4-10 copies; and \$.005 for all copies over 10 but less than 120,000. The rental price of a 914 is approximately \$888 monthly assuming 25,000 copies are made. Additional copies on the 914 will cost approximately \$.0086 per copy. Considering the average monthly requirement for Xerox reproduction within the DDS&T, I estimate that a single centrally located reproduction unit would cost no more than \$2,014 per month. The average monthly cost for the eight machines at Headquarters is \$3,622.45, or \$.0446 per copy. Based on 120,000 copies from the Xerox 2400 and 25,000 from the Xerox 914, the price would be \$2,014. This, however, represents 62,913 copies above the existing monthly average, so it is evident that this represents the maximum estimate of rental cost. Comparing \$2,014 to the current monthly cost of \$3,662.45 gives a minimum monthly savings of \$1,648.45 per month, or \$18,781.40 annually.

4. Further, a separate listing, similar to Attachment A can be compiled for DDI Xerox machines operating behind the "H" barrier. Assuming DDI would use the proposed Xerox facility, and noting the amount of excess copies figured in the savings estimate above, the cost of many of their machines could be added directly to the savings figure derived.

5. An additional consideration is to spend \$75-\$115 per month for a 10-20 bin collator to be used in conjunction with the Xerox 2400. The bins come in groups of ten and serve the purpose of sorting the pages of multi-copy documents so that the document pages are automatically stacked in chronological order. The cost of one group (10 bins) is \$75 per month, which includes sorting up to 25,000 copies. Additional copies are sorted at a cost of \$.001 per copy. These bins are desired equipment and would be easily justified by this center, but would be difficult to justify on an individual office basis.

SECRET

Page 3

SUBJECT: Proposed Establishment of Xerox Center for
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6. It is essential that this center be operated on a quick reaction basis with a minimum of red tape in order to satisfy the operational deadlines dictated by Special Projects. For example, a secretary would drop off the original to be copied with her name, telephone extension, room number and office, and instructions, (number of copies). Above all, efforts should be made to nullify any requirement for cost numbers, etc., for the various offices. The secretary would be called when the job is completed.

7. In addition to the savings cited above, intrinsic values include (1) the additional time that the secretary would be available to support her office, (as opposed to waiting in line for her turn to use a machine); and (2) security practices would be enhanced with the use of the full-time operators.

25X1A

Distribution:

25X1A O&I - Addressee
 1 - DDS&T Registry
 1 - [REDACTED] DSP
 1 - RB/OSP

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Attachment A

<u>Component</u>	<u>Type</u>	<u>Location</u>	<u>No.</u>	<u>Mo. Av.</u> <u>(8 mo. per)</u>	<u>Av. Mo.</u> <u>Cost</u>
OSA/DDS&T	720	6B4404	22	22,800	\$816
DDS&T/Ad	914	6E49	81	25,000	888
ORD/DDS&T	914	611 Ames	91	12,882	476
MO/OSA/DDS&T	813	5B2826	80	840	38
OEL/DDS&T	813	2F39	86	6,640	247
OSI/DDS&T	813	6F24	90	7,117	264
FMSAC/DDS&T	813	1A35	34	5,450	206
OSI/DM Div	813	5C17	90-1	7,740	286
OCS/DDS&T	813	GD0404	46	5,600	211
Totals				94,969	\$3,432

Xerox 2400 -

"B" Plan \$1,100 for 120,000 copies, plus \$.0042 for all copies over 120,000 in one month

Regular 1-3 copies @ \$.04; 4-10 copies @ \$.02; over 10 @ \$.005

Supplies for 914 and 813 approximately \$.0086 per copy.
Supplies for 2400 approximately \$.004 per copy.

Nine machines -

94,969 x .0086 (supplies) = \$ 797.74 Total supply cost now
3,432.00 Rental charges
Total cost (incl. mach. \$ 4,229.74 ÷ 94,969 = \$.00445 per copy
rental & supplies)

Eight machines -

82,087 x .0086 = \$ 706.45 Supplies
2,956.00 Rental
\$3,662.45 ÷ 82,087 = \$.00446 per copy

Sorter for Xerox 2400 -

1 group 10 bins \$75/month including 25,000 copies
2 groups 20 bins \$115/month including 40,000 copies

Additional copies \$.001 per copy

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